



Presentation to the 2011 Health and Human Services
Joint Appropriation Subcommittee

ADDICTIVE AND MENTAL DISORDERS DIVISION

Medicaid and Health Services Branch
Department of Public Health and Human Services

Reference:

Legislative Fiscal Division Budget Analysis, Volume 4 Section B, Page B-292

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OVERVIEW

The **Addictive and Mental Disorders Division** provides publicly funded mental health and chemical dependency treatment services by directly providing and contracting with behavioral health providers throughout Montana. In 2009 the division was reorganized to better serve people with addictive and/or mental disorders by establishing a continuum of care that a range of services including inpatient and community/outpatient services. An estimated 30,000 people are served in one or more of the programs administered by this division.

The Division's fundamental values are incorporated throughout the work done in each program:

- Consumer focused, supported, and empowered
- Community based

- Focus, not on symptom management, but on restoration of self esteem and attaining a meaningful role in society using recovery and rehabilitation-based treatment
- Each individual must have the opportunity to function as well as possible in normal activities such as independent living, employment, education, and social relationships
- Evidence based models of treatment

The Chemical Dependency Bureau assesses the need for chemical dependency treatment and prevention services throughout Montana. Services are available in all 56 counties through contracts with 22 state-approved programs and the state-operated Montana Chemical Dependency Center in Butte. Using a combination of General Fund, State Special Revenue, Federal Grants, and Federal Medicaid Matching Funds, the bureau reimburses for a full range of outpatient and inpatient services, as well as an education program for DUI offenders. Over 8,500 Montanans receive services each year.

People with substance use disorders who are eligible for Medicaid and those that have family incomes below 200 percent of the federal poverty level are eligible for public funding of treatment services. Medicaid services include assessment, outpatient, intensive outpatient, and youth residential treatment provided to over 900 people through state-approved programs.

The Chemical Dependency Bureau administers funds for programs and activities designed to prevent the use of alcohol, tobacco, and other drugs by youth and the abuse of those substances by adults. Funding is provided by two federal Prevention Grants from the Substance Abuse and Mental Health Services Administration: The Center for Substance Abuse Prevention and Treatment Block Grant (approximately \$1.3 million) and the Strategic Prevention Framework State Incentive Grant (SPF SIG) (approximately \$2.3 million). Both grants focus on building infrastructure and capacity in communities to implement prevention programs addressing alcohol, tobacco and other drug abuse. The Block Grant provides limited services in all 56 counties and on 7 reservations to approximately 39,050 people, providing knowledge, skills and the necessary tools for implementation of community prevention programs for alcohol, tobacco and other drugs. The SPF SIG grant specifically targets the implementation of environmental (population based) prevention approaches in 21 counties and 3 reservations. This grant focuses on working with the community to review factors contributing to binge drinking and drinking and driving issues within their community. This grant has provided training and technical assistance to approximately 14,118 Montanans.

The Mental Health Services Bureau is responsible for the state's system for delivering and reimbursing publicly funded mental health services for adults with severe disabling mental illness. The bureau oversees a system of mental health services that includes community-based providers as well as the Montana State Hospital in Warm Springs and the Montana Mental Health Nursing Care Center in Lewistown.

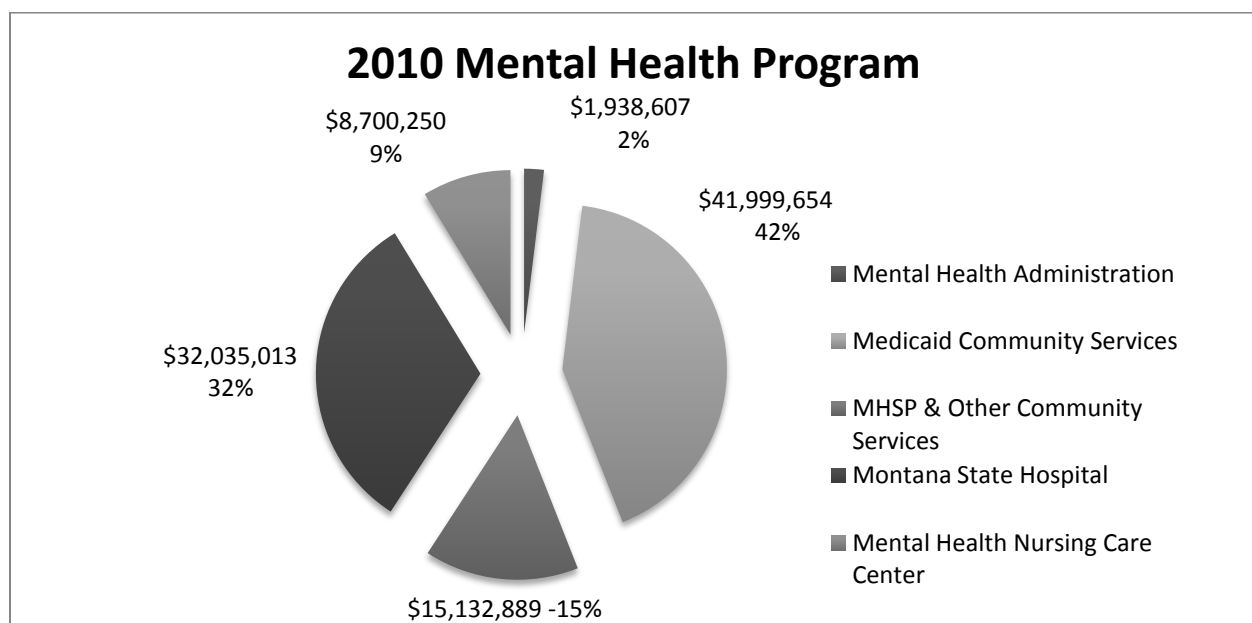
Individuals eligible for services include adult Medicaid recipients and other low-income adults with severe disabling mental illnesses. Over 22,000 individuals receive services through one of these programs each year. Using a combination of General Funds, State Special Revenue, Federal Grants, and Federal Medicaid matching funds, the bureau reimburses for a continuum of services for individuals 18 years of age and older. The provider network includes community hospitals, licensed mental health centers, physicians, psychiatrists, mid-level practitioners, psychologists, licensed social workers, licensed professional counselors, and community health centers. Community-based services are available statewide.

The Mental Health Bureau manages two Medicaid Waivers. The Home and Community Based Services Waiver provides community services for up to 155 people with severe disabling mental illnesses who meet nursing home level of care. Under this waiver, individuals are able to receive services necessary to live in the community including assisted living, personal assistance, nursing, nutrition, and case management in addition to other Medicaid mental health services.

The Mental Health Services Plan Waiver (formerly known as HIFA) was approved by CMS for implementation on December 1, 2010. This waiver will transition up to 800 individuals from the state-funded Mental Health Services Plan to a basic Medicaid benefit. The targeted waiver population is individuals with schizophrenia, bipolar disorder, and major depression.

SUMMARY OF MAJOR FUNCTIONS

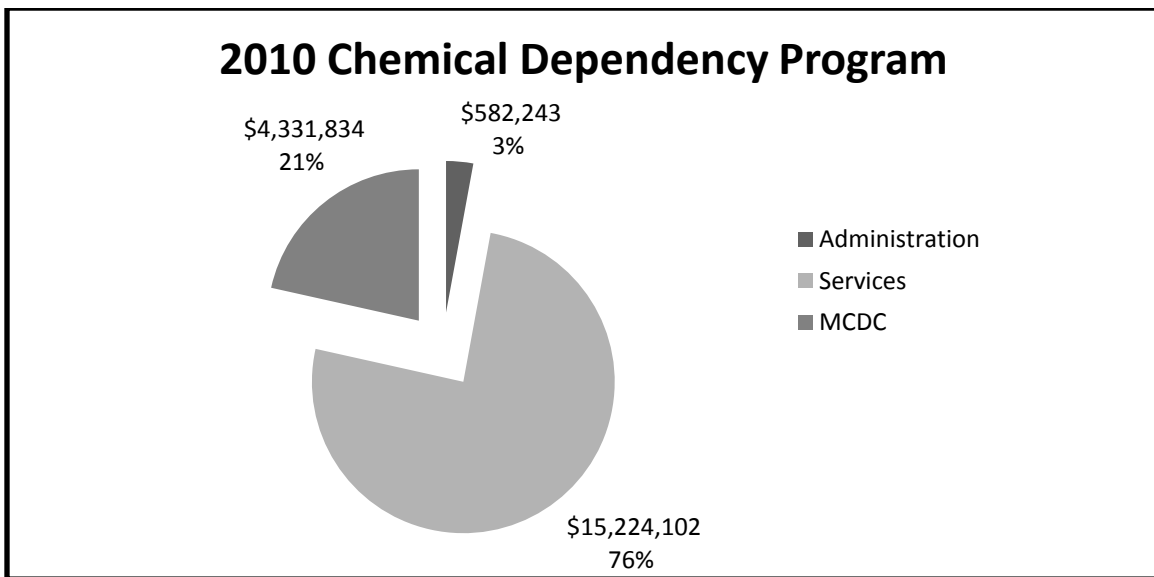
Mental Health Services are provided for individuals 18 years of age and older who have been diagnosed with a mental illness and are eligible for Medicaid or the state-funded Mental Health Services Plan. Services form a continuum of care from community drop-in centers to outpatient therapies to acute inpatient treatment either in the community or at the Montana State Hospital. In FY2010, over 22,000 people received services through one or more programs.



- Community-based mental health services
 - 21,455 people served
 - Target population has a severe disabling mental illness
 - Provider network includes licensed mental health centers, hospitals, community health centers, licensed practitioners
 - Services provided through Medicaid, HCBS Waiver, Mental Health Services Plan, MHSP Waiver, Presumptive Eligibility for crisis stabilization
 - Services include inpatient, outpatient, and rehabilitation services
 - Funded with combination of General Fund, State Special Revenue, and Federal Funds

- Montana State Hospital (Warm Springs)
 - State-operated inpatient psychiatric hospital – licensed capacity 201 beds (174 hospital beds; 27 group home beds)
 - Patients admitted under civil, criminal, and voluntary procedures
 - Funded with General Fund and State Special Revenue
 - 835 individuals served in FY2010; average daily census 184.74
- Montana Mental Health Nursing Care Center (Lewistown)
 - State-operated nursing care facility – licensed capacity 191(budgeted for 82)
 - Funded with General fund
 - 127 individuals served in FY2010; average daily census 83.25

Chemical Dependency Services are provided for adolescents and adults. Treatment services include inpatient and outpatient settings through a provider network of state-approved programs in all 56 counties, residential services, and a state-operated inpatient treatment facility. In FY2010, 9200 people received treatment services through one or more programs.



- Chemical dependency treatment services for adolescents and adults
 - Inpatient and outpatient services as well as an education program for DUI offenders
 - Funded with General Fund, State Special Revenue, and Federal Funds
 - 8500 individuals served in FY2010
- Chemical dependency prevention services
 - Focus on building infrastructure and capacity in communities to implement prevention programs addressing alcohol, tobacco, and other drug abuse
 - Funded with Federal Block Grant and Strategic Prevention Framework State Incentive Grant
 - 53,168 people received training in necessary knowledge, skills, and tools for implementing community prevention programs
- Montana Chemical Dependency Center (Butte)
 - State operated inpatient treatment facility – licensed capacity 76

- Inpatient treatment for adults with alcohol and drug addictions and those with co-occurring addictions and psychiatric disorders
- Funded with State Special Revenue and Federal Funds
- 717 individuals served in FY2010; average daily census 54.38

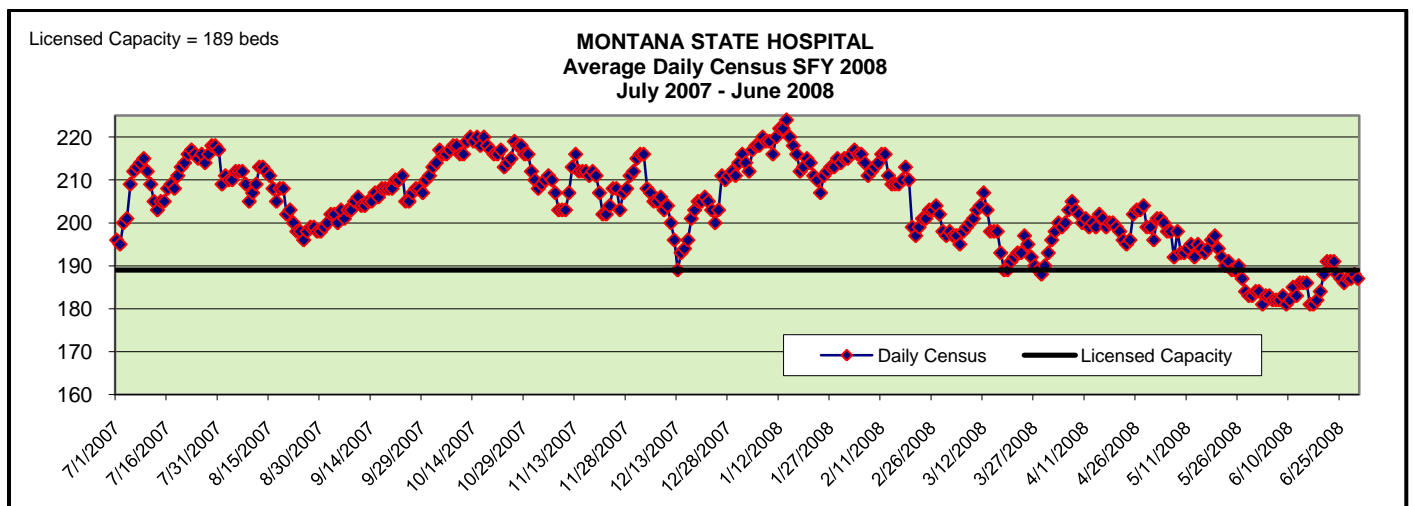
Suicide Prevention Coordination of statewide activities including the suicide crisis hotline, training and education in suicide awareness and prevention, and a media program to increase awareness around suicide prevention.

Behavioral Health Program Facilitator to function as the liaison between the Departments of Public Health and Human Services and Corrections to identify challenges and recommend solutions to meet the needs of offenders with mental illness and co-occurring substance use disorders.

HIGHLIGHTS AND ACCOMPLISHMENTS DURING THE 2011 BIENNIUM:

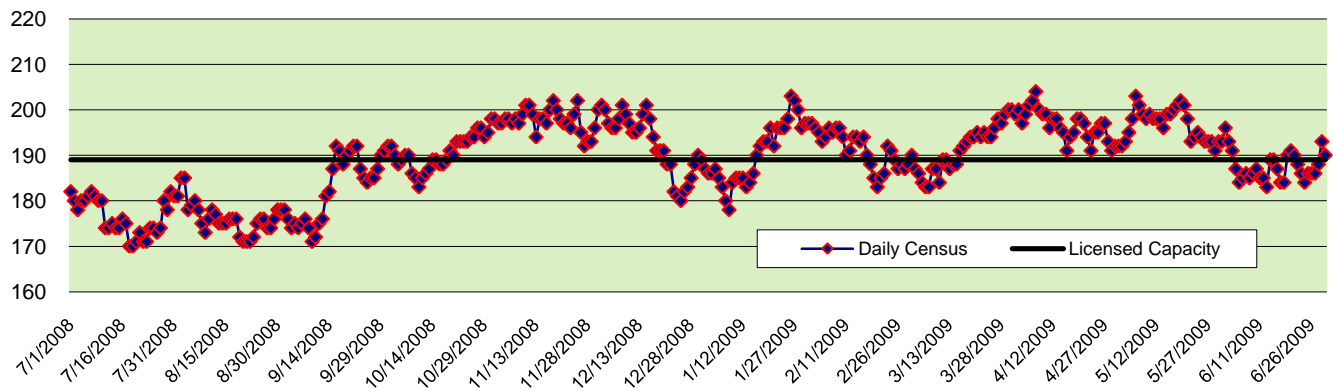
The average daily census at Montana State Hospital during FY2010 was 184.74

A rising daily census at Montana State Hospital peaked in FY2008 at 224 (35 greater than the licensed capacity of the facility). In FY2010, the average census was reduced to 184.74, with a low of 164 in April. A combination of factors has contributed to the change. Treatment teams have reduced the average length of stay for patients from 119 days in 2002 to 89 days in 2010. Expansion of resources in the community (72-Hour Crisis Stabilization, secure crisis beds, training for law enforcement, Goal 189, community liaison officers, mental health drop in centers) has enhanced the alternatives for individuals in the community and impacted the census at MSH from the standpoint of both admissions and discharges.



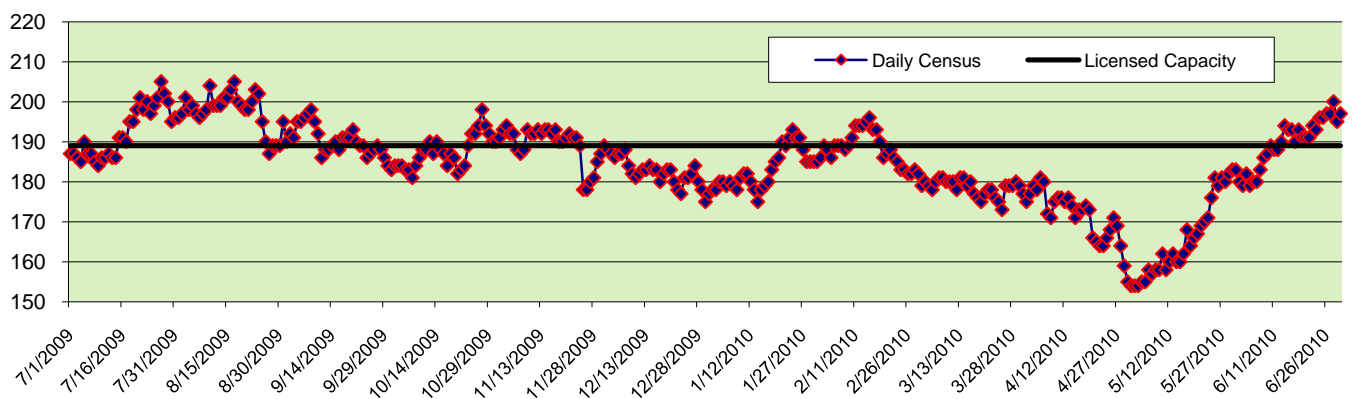
Licensed Capacity = 189

MONTANA STATE HOSPITAL
Average Daily Census SFY 2009
July 2008 - June 2009



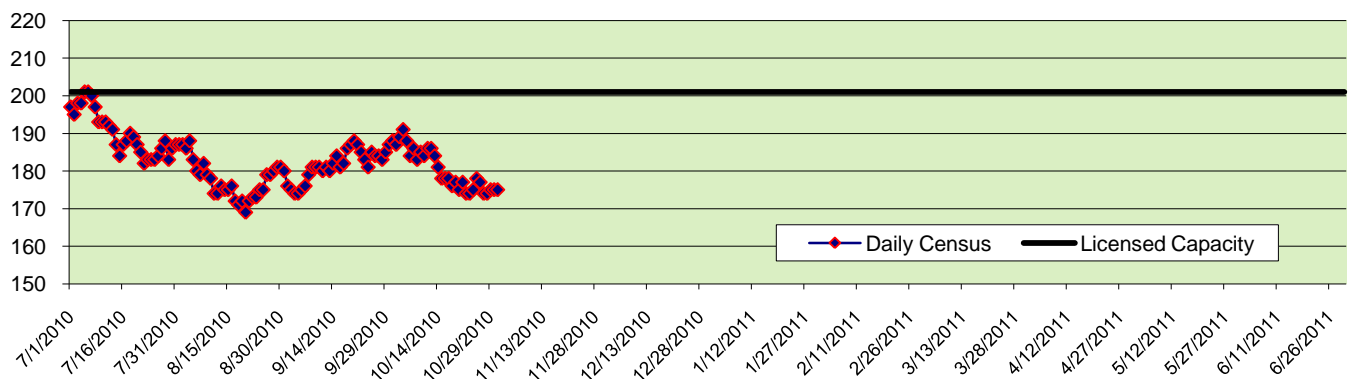
Licensed Capacity = 189 beds

MONTANA STATE HOSPITAL
Average Daily Census SFY 2010
July 2009 - June 2010



Licensed Capacity = 201

MONTANA STATE HOSPITAL
Average Daily Census SFY 2011
July 2010 - June 2011



1393 People experiencing a psychiatric crisis received stabilization services

During FY2010, 1393 people who are uninsured or under-insured received up to 72 hours of crisis stabilization services. Fifteen facilities across the state participate in the Presumptive Eligibility Program. The program provides community-based intervention and referral for individuals who might otherwise be transported to Montana State Hospital.

447 First responders across the state received training in mental illness

Crisis Intervention Training (40-hour law enforcement course) and Mental Illness Intervention (16-hour crisis intervention/suicide prevention course) were delivered to first responders across Montana including law enforcement, probation and parole officers, mental health practitioners, and EMT and fire department personnel. Instruction provides information and skill development to improve identification of people experiencing a mental health crisis and who may be at risk of harm to themselves or others. Diversion to the mental health system as an alternative to the criminal justice system improves treatment outcomes for people in need of services. This brings the total number trained across the state to over 2000 individuals.

Secure crisis stabilization beds available in the community as an alternative to transport to Montana State Hospital In Butte and Bozeman, 60 individuals under a detention order were detained in a secure bed in the community and diverted from Montana State Hospital. Although many of these people were ultimately admitted to MSH for inpatient treatment, others transitioned to voluntary treatment in the community. Additional secure beds will become available in Ravalli County during the spring of 2011.

Statewide program to increase awareness around suicide prevention

Suicide Prevention Tool Kits were provided to 144 high schools, 102 rural primary care providers, 55 funeral homes for survivors of suicide, 105 psychiatrists, and 214 senior living and retirement communities. In addition, the program distributed over 5,000 gun locks to community health departments, provided suicide awareness cards to over 4,200 licensed cosmetologists and is working with the Department of Revenue to do the same with all liquor distributors across the state.

2013 BIENNIUM GOALS AND OBJECTIVES

**Department of Public Health and Human Services
Addictive and Mental Disorders Division**

**Goals and Objectives for the 2013 Biennium
Submitted September 1, 2010**

Goal: Provide services in appropriate settings that sustain and improve the lives of individuals with mental illness and addictive disorders

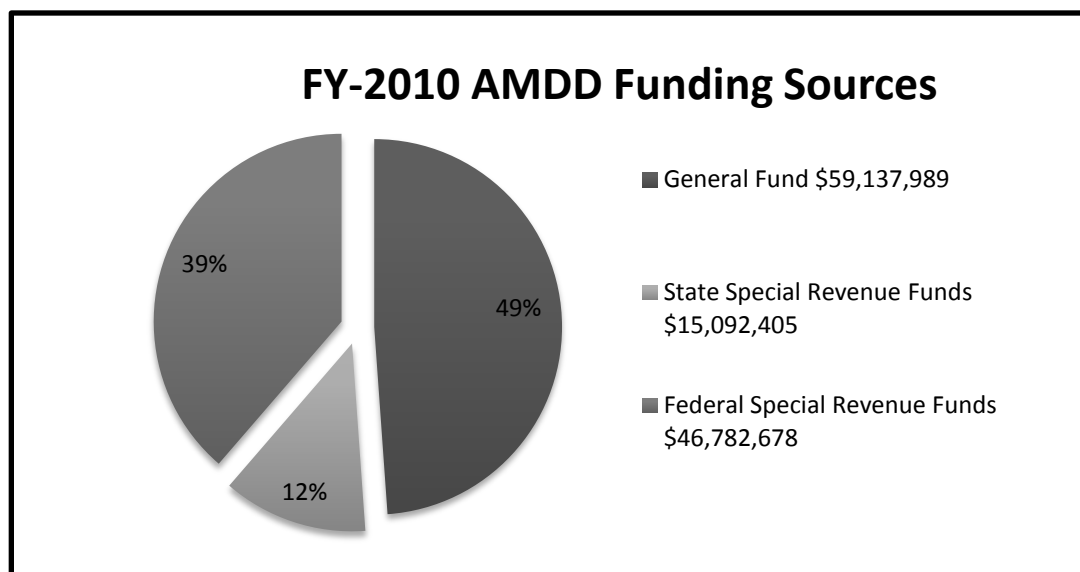
Objective	Measures
Support a community-based system of care for adults	Through review and analysis, the division determines whether direction and support is given to providers for delivery of recovery-focused services.
Provide and reimburse for effective inpatient treatment that enables sustainable recovery in communities	Through review and analysis, the division determines whether direction and support is given to providers for delivery of recovery-focused services.
Improve outcomes for individuals with serious mental illness and co-occurring substance use disorders	Through review and analysis, the division determines whether direction and support is given to providers for delivery of recovery-focused services.

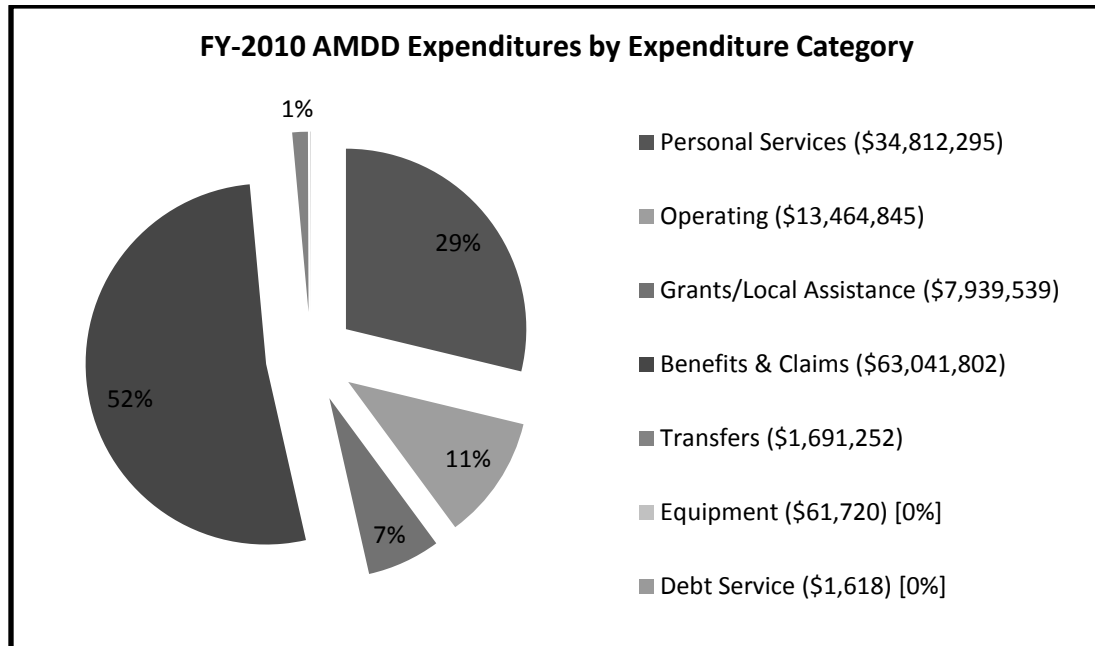
FUNDING AND FTE INFORMATION

	2010 Actual Expenditures	FY 2012 Request	FY 2013 Request
Addictive & Mental Disorders Division			
FTE	628.35	619.86	619.86
Personal Services	34,812,295	36,201,632	36,233,193
Operating	13,464,845	13,432,778	13,777,736
Equipment	61,720	45,420	45,420
Grants & Local Assistance	7,939,539	7,107,815	7,107,815
Benefits & Claims	63,041,802	72,545,178	74,668,171
Transfers	1,691,252	1,691,252	1,691,252
Debt Services	1,619	1,620	1,620
Total Request	121,013,072	131,025,695	133,525,207
General Fund	59,137,989	63,633,557	64,265,826
State Special Fund	15,092,405	17,255,548	17,961,421
Federal Fund	46,782,678	50,136,590	51,297,960
Total Request	121,013,072	131,025,695	133,525,207

2012 and 2013 source is Report 602b from MBARS Version A-5, 12/15/2010
Revised FY 10 numbers to separate Transfers from Grants and Local Assistance

THE FOLLOWING FIGURES PROVIDE FUNDING AND EXPENDITURE INFORMATION FOR FY 2010 FOR ADDICTIVE AND MENTAL DISORDERS DIVISION





DECISION PACKAGES (SEE LFD BUDGET ANALYSIS, PAGES B-292 TO B-323)

NP 33801 Reduction to MHSP Base

- This decision package reduces the base funding for the Mental Health Services Plan to the level established by the 2009 Legislature
- General fund savings for this adjustment is \$908,777 for each year of the biennium, for a biennial total of \$1,817,554.
- LFD reference is on page **B-317**

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2012	\$(908,777)	\$	\$	\$(908,777)
FY2013	\$(908,777)	\$	\$	\$(908,777)
Biennium Total	\$(1,817,554)	\$	\$	\$(1,817,554)

NP 55433 4% FTE Reduction

- This decision package reduces 8.49 FTE
- Estimated total of \$1,029,536 personal services general fund savings for the biennium
- LFD Reference is on page **B-318**

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2012	\$(514,768)	\$	\$	\$(514,768)
FY2013	\$(514,768)	\$	\$	\$(514,768)
Biennium Total	\$(1,029,536)	\$	\$	\$(1,029,536)

PL 33000 MHSP Pharmacy Benefit Inflation

- Inflation increases in pharmacy costs of 10% yearly for the MHSP Pharmacy Benefit
- Requests \$1,350,000 in state special revenue (I-149 Tobacco Tax) for the biennium
- If PL 33013 Medicaid Benefit-HIFA Waiver is approved, this decision package will be withdrawn.
- LFD reference is on page **B-313**

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2012	\$	\$ 553,000	\$	\$ 553,000
FY2013	\$	\$ 797,000	\$	\$ 797,000
Biennium Total	\$	\$1,350,000	\$	\$1,350,000

PL 33001 HCBS Medicaid Waiver Benefits Annualization

- Requests the annualization or difference between the projected cost for 155 waiver slots and the SFY 2010 actual estimated expenditures
- State special revenue is I-149 Tobacco Tax
- LFD reference is on page **B-314**

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2012	\$	\$ 545,122	\$1,067,188	\$1,612,310
FY2013	\$	\$ 552,377	\$1,059,933	\$1,612,310
Biennium Total	\$	\$1,097,499	\$2,127,121	\$3,224,620

PL 33002 Restore OT/Holidays Worked MSH

- Medical facility with 24 hour staffing
- Request to fund personal services costs that are removed from the FY2010 base budget
- This request asks for overtime, shift differential, holidays worked, doctor on-call pay, and aggregate positions with benefits to be restored to the FY 2010 actual expenditure level. This is not an increase over the base expenditures.
- Aggregate positions are used to provide coverage for staff on sick leave, vacation leave, and in-staff training classes
- LFD reference is on page **B-314**

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2012	\$1,619,978	\$	\$	\$1,619,978
FY2013	\$1,613,397	\$	\$	\$1,613,397
Biennium Total	\$3,233,375	\$	\$	\$3,233,375

PL 33003 MSH – Medical and Pharmacy Inflation

- Inflationary increases for contracted food service (3.5%), pharmacy (8.9%), outside medical and dental (10%).
- MSH provides prescription drugs for residents during their stay at the facility and incurs costs for services outside the facility such as lab, hospital, x-rays, dental, and optometry.
- LFD reference is on page **B-314**

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2012	\$367,979	\$	\$	\$367,979
FY2013	\$556,531	\$	\$	\$556,531
Biennium Total	\$924,510	\$	\$	\$924,510

PL 33004 Restore OT/Holidays Worked MMHNCC

- Long term care facility with 24 hour staffing
- Request to fund personal services costs that are removed from the FY2010 base budget
- This request asks for overtime, shift differential, holidays worked, and aggregate positions with benefits to be restored to the FY 2010 actual expenditure level. This is not an increase over the base expenditures.
- Aggregate positions are used to provide coverage for staff on sick leave, vacation leave, and in-staff training classes
- LFD reference is on page **B-314**

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2012	\$382,907	\$	\$	\$382,907
FY2013	\$395,301	\$	\$	\$395,301
Biennium Total	\$778,208	\$	\$	\$778,208

PL 33005 MMHNCC – Medical and Pharmacy Inflation

- Inflation increases for pharmacy, outside medical and dental. This request would cover a 5% inflation increase for pharmacy contracted services, and a 10% inflation increase for drug costs, outside medical and dental costs for residents who do not have other forms of insurance.
- LFD reference is on page **B-314**

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2012	\$220,347	\$	\$	\$220,347
FY2013	\$346,568	\$	\$	\$346,568
Biennium Total	\$566,915	\$	\$	\$566,915

PL 33006 Medicaid Mental Health Caseload Adjustment

- Anticipates a caseload/utilization increase of 3% in FY 2012 and 1% in FY 2013
- LFD reference is on page **B-315**

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2012	\$2,188,392	\$	\$4,284,225	\$ 6,472,617
FY2013	\$2,330,406	\$	\$4,471,714	\$ 6,802,120
Biennium Total	\$4,518,798	\$	\$8,755,939	\$13,274,737

PL 33007 FMAP Adjustment – Mental Health

- Anticipates a change in the Federal Medical Assistance Percentage (FMAP) that conversely affects the amount of general fund necessary to maintain the Mental Health Medicaid program. The request provides a decrease in the general fund and an increase in state special revenue and federal Medicaid funds. The effective FMAP rate used for the base FY2010 is .6808; for FY12 the rate is .6619; and for FY13 the rate is .6574
- Reduces general fund and increases state special revenue (I-149 Tobacco Tax)
- LFD reference is on page **B-315**

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2012	\$(526,524)	\$249,529	\$276,995	\$0
FY2013	\$(383,349)	\$259,284	\$124,065	\$0
Biennium Total	\$(909,873)	\$508,813	\$401,060	\$0

PL 33012 Non-DofA Rent Adjustment

- Funding for leases for non-state owned buildings. Reductions due to the Governor's lease negotiations and increases for leases that could not be reduced were factored into this calculation
- LFD reference is on page **B-323**

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2012	\$(7,277)	\$(1,156)	\$(6,467)	\$(15,000)
FY2013	\$ 914	\$ 145	\$ 825	\$1,884
Biennium Total	\$(6,363)	\$(1,011)	\$(5,742)	\$(13,116)

PL 33013 Medicaid Benefits – HIFA Waiver

- Requests funding to implement the MHSP Amendment to the Department's 1115 Waiver (HIFA) that was approved on December 1, 2010
- Transition 800 individuals from MHSP to Medicaid
- Funding is a combination of state special revenue (I-149 Tobacco Tax) and federal matching funds
- A portion of state special revenue needed to fund the waiver will be taken from funds appropriated to the MHSP Pharmacy Program (\$2,060,256). This request is for the balance of the match at \$1,226,487 in FY2012 and \$1,843,997 in FY2013 in state special revenue funds along with matching federal Medicaid funds.
- LFD reference is on page **B-315**

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2012	\$	\$1,226,487	\$ 6,434,471	\$ 7,660,958
FY2013	\$	\$1,843,997	\$ 7,491,698	\$ 9,335,695
Biennium Total	\$	\$3,070,484	\$13,926,169	\$16,996,653

PL 55140 AMDD Operations Efficiencies 17-7-140

- Reduces base expenditure by amount representing the 5% budget reduction per 17-7-140
- Reductions made through efficiencies in travel, conferences, supplies, cell phone use, postage, and contracting
- LFD reference is on page **B-323**

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2012	\$ (57,407)	\$	\$	\$ (57,407)
FY2013	\$ (57,407)	\$	\$	\$ (57,407)
Biennium Total	\$ (114,814)	\$	\$	\$ (114,814)

LEGISLATION

Senate Bill 76 provides for parole eligibility for persons sentenced to the custody of the Director of the Department of Public Health and Human Services and confined at Montana State Hospital, the Montana Developmental Center, or the Montana Mental Health Nursing Care Center. Existing statute provides parole eligibility for this population only at the Montana State Hospital. Individuals at Montana Developmental Center or the Montana Mental Health Nursing Care Center must be transported to the Montana State Hospital for parole eligibility.